

BARNES & THORNBURG LLP

<http://www.btlaw.com>

Joel T. Bowers
Direct Dial: (574) 237-1287
E-mail: Joel.Bowers@btlaw.com

700 1st Source Bank Center
100 North Michigan Street
South Bend, IN 46601-1632
Main Line: (574) 233-1171
Fax: (574) 237-1125

February 3, 2014

Via Federal Express & E-Mail

Mr. Syed Quadri
U.S. Environmental Protection Agency, Region 5
Superfund Division, Enforcement and Compliance Assurance Branch
77 West Jackson Boulevard, (SE-5J)
Chicago, IL 60604-3590

US EPA RECORDS CENTER REGION 5



Re: Request for Information Pursuant to Section 104(e) of CERCLA
Lusher Street Groundwater Contamination Site, Elkhart, Indiana
Site ID No.: 05AB

Dear Mr. Quadri:

On behalf of Welch Packaging Group, Inc. and Welch Properties, Inc. ("Welch" or the "Companies"), we are submitting the enclosed response to the above-referenced information request (the "Information Request"). The Information Request was received by the Companies on or about December 5, 2013 and pursuant to the 30-day extension you kindly provided, this response is timely.

Please find below a list of all persons contributing information to responses to this Information Request, along with a set of General Objections which Welch incorporates by reference here in the responses to each numbered request. Welch's search did not uncover any responsive documents to the Information Request.

Persons Contributing Information to Responses to the Information Request

- John Martin, Chief Financial Officer, Welch Packaging Group, Inc.
- Dave Miller, Customer Service/Sales, Welch Packaging Group, Inc.
- Joel T. Bowers, Attorney for Welch Packaging Group, Barnes & Thornburg LLP

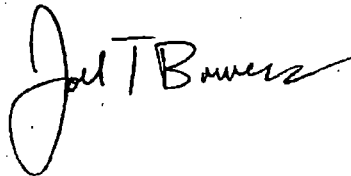
General Objections

- Welch objects to the Information Request to the extent it seeks to impose upon it obligations which are beyond those authorized to be imposed under 42 U.S.C. § 9604(e).
- Welch objects to the Instructions for the Information Request to the extent it would require it to seek information in the possession or control of persons not under its control, or to furnish information not based on personal knowledge. The Company further objects to these Instructions to the extent they seek information protected by the attorney-client privilege or which constitutes attorney work product.
- Welch objects to Instruction 6 in the Information Request to the extent it purports to require supplemental responses which is not authorized under 42 U.S.C. § 9604(e).
- Welch objects to the requirement that this response be certified because nothing in 42 U.S.C. § 9604(e) requires or authorizes U.S.EPA to impose such a requirement.

Submission of the enclosed responses should not be construed as waiver of any objection and Welch reserves all its rights, privileges and defenses. The Companies also assert that their investigation is ongoing and reserve the right to supplement their response later if necessary. Please feel free to contact me should you have any questions regarding this response.

Sincerely,

BARNES & THORNBURG LLP

A handwritten signature in black ink, appearing to read "Joel T. Bowers". The signature is stylized with a large, looped initial "J" and a cursive "B".

/s/ Joel T. Bowers

JTB/dac
Enclosures

**WELCH PACKAGING GROUP, INC.
WELCH PROPERTIES, INC.**

**Response and Objections to Request for Information Pursuant to 104(e) of CERCLA for
Lusher Street Groundwater Contamination Site, Elkhart, Indiana
Site ID No.: 05AB**

RESPONSES TO REQUESTS

1. State the dates during which you or your company have owned, operated, or leased a facility or any part thereof located within the boundaries of the site and provide copies of all documents evidencing or relating to such ownership, operation, or lease arrangement (e.g. including but not limited to purchase and sale agreements, deeds, leases, etc.)

RESPONSE:

Welch Properties of Elkhart, Inc. ("Welch Properties") purchased the property at 1511 W. Lusher Street (the "Property") on July 30, 1996 from the Barger Packaging Corporation. The property was leased to Colbert Packaging Corporation on March 1, 2004 and ultimately sold to Colbert-Elkhart LLC on December 15, 2010.

Welch Packaging Group, Inc. purchased the assets of Barger Packaging in July 1996 and operated the corrugated packaging business at the Property until March 1, 2004 when the assets at the Property were sold to Colbert Packaging Corporation. During the period from July 30, 1996 to March 1, 2004, Welch Properties leased the Property to Welch Packaging doing business as Barger Packaging.

Documents evidencing ownership and lease of the Property discussed above have been enclosed subject Welch Properties and Welch Packaging's (together the "Welch Companies") claim that these documents contain Confidential Business Information. The documents have been provided in two forms a redacted version marked "Public" and an unredacted version marked "Confidential Business Information". Pursuant to 40 CFR 2.203(b) and Enclosure 5 of the Request, the Welch Companies Assert:

1. Redacted portion of the enclosed lease and purchase documents should be considered confidential for the foreseeable future.
2. Redacted portions of the enclosed document reveal negotiated financial terms which if made public might be used by the Welch Companies competitors to gain an advantage. These agreements have been kept private and have not been distributed to unrelated third-parties.
3. To the knowledge of the Welch Companies this information has not been made public in the past.

4. To the knowledge of the Welch Companies, no federal agency has made a prior confidentiality determination regarding this information.

2. Did you or any other person or entity ever use, purchase, store, treat, dispose, transport or otherwise handle any material containing chlorinated solvents, including but not limited to, trichloroethylene (TCE); trichloroethane (1,1,1-TCA); dichloroethene (trans 1,2 DCE; cis-1,2-DC; or 1,1-DCE) or tetrachlorethylene (PCE) at a facility within the boundaries of the site? If the answer to this question is anything but an unqualified "no," with respect to each facility identify:
- a) the chemical composition, characteristics, physical state (e.g., solid, liquid) of each material;
 - b) who supplied the material;
 - c) how, when, and where the material was used, purchased, generated, stored, treated, transported, disposed of or otherwise handled;
 - d) the quantity of such materials used, purchased, generated, stored, treated, transported, disposed of or otherwise handled;
 - e) all supervisory personnel for areas where chlorinated solvents were identified above. For each person identified, indicate the years during which they were a supervisor and, to the best of your knowledge and belief, their duties and responsibilities.

RESPONSE:

No operations or environmental, health & safety personnel that were present during the period Welch Packaging operated at the Property are currently employed at Welch Packaging, so a detailed account of materials used at the property over a decade ago cannot be provided. However, upon information and belief, Welch Packaging believes the listed chlorinated solvents, tetrachloroethylene and trichloroethylene were used at the Property in small quantities as part of a small Safety-Kleen parts washer. Upon information and belief, these solvents were managed and properly disposed of by Safety Kleen. Enclosed are documents obtained from IDEM's Virtual File Cabinet related to the limited use of the listed chlorinated solvents at the Property during Welch Packaging's operation of the Property. To the extent available, quantities of the solvent used maybe provided in the annual manifest summary reports in the IDEM VFC.

The explanation above and the enclosed documents relate to the period when Welch Packaging operated the facility from July 1996 to March 2004. The Welch companies do not have knowledge of the use, handling, storage, or disposal of the above-listed solvent at the Property during the period before or after Welch

Packaging conducted operations there. Additionally, Welch Properties has no knowledge of Colbert Packaging's use of chlorinated solvents at the Property.

Relevant document relating to operations at the Property before or after July 1996 to March 2004 also may be available on IDEM Virtual File Cabinet.

3. Identify all past and present solid waste management units (e.g., waste piles, landfills, surface impoundments, waste lagoons, waste ponds or pits, tanks, container storage areas, etc.) at each facility you or your company have owned, operated, or leased within the boundaries of the site. For each such solid waste management unit, provide the following information:
- a) a map which shows the unit's boundaries and the location of all known solid waste management units, whether currently in operation or not. This map should be drawn to scale, if possible, and clearly indicate the location and size of all past and present units.
 - b) the type of unit (e.g., storage area, landfill, waste pile, etc.) and the dimensions of the unit;
 - c) the dates that the unit was in use;
 - d) the purpose and past usage of the unit (e.g., storage, spill containment, etc.);
 - e) the quantity and types of materials (hazardous substances and any other chemicals) located in each unit;
 - f) the construction (materials, composition), volume, size, dates of cleaning, and condition of each unit; and
 - g) if unit is no longer in use, describe how the unit was closed and what actions were taken to prevent or address potential or actual releases of waste constituents from the unit.

RESPONSE:

Attached is a map that depicts three potentially relevant areas including a hazardous materials storage area, dumpster for general office refuse, banding and pallets, and the corrugated paper recycling area. Upon information and belief these areas were in operation during the period Welch Packaging operated at the Property. Again, because no operations or environmental, health & safety personnel that worked at the Property are still employed by Welch, that can provide a more detailed information about these areas. That being said, Welch has no reason to believe these areas are the location of a release of waste constituents.

4. Identify all leaks, spills, or releases into the environment of any chlorinated solvents or materials containing chlorinated solvents that have occurred at or from any facility you or

your company have owned, operated, or leased within the boundaries of the site. In addition, identify:

- a) when, where, and how such leaks, spills or releases occurred;
- b) the amount of each leak, spill or release;
- c) activities undertaken in response to each such leak, spill or release, including the notification of any agencies or governmental units;
- d) investigations of the circumstances, nature, extent or location of each leak, spill or release, including the results of any soil, water (ground and surface), or air testing undertaken; and
- e) all persons with information relating to these leaks, spills or releases.

RESPONSE:

The Welch Companies are unaware of any leaks, spills, or releases of chlorinated solvents at the Property. Although Welch is unaware of any such spills, the Companies discovered the attached sampling data collected at the Property by EPA's contractor, Weston Solutions, on October 23, 2009. Based on EPA's sampling data it appears:

- 1. No chlorinated solvent were detected in groundwater at the Property.
 - 2. Of the six groundwater samples taken, three were complete "non-detects" for all volatile organic compounds.
 - 3. In the three remaining samples, only trace quantities of certain non-chlorinated VOCs were detected, all at levels at least an order of magnitude below the IDEM's drinking water screening levels.
5. Provide copies of all local, state, and federal environmental permits ever granted for any facility (or any part thereof) you or your company have owned, operated, or leased within the boundaries of the site (e.g., RCRA permits, NPDES permits, etc.)

RESPONSE:

The Welch Companies object to this question to the extent that it appears to require copies of permits for the company that leased the Property after Welch Packaging ceased operations (Colbert Packaging). Notwithstanding this objection, Welch Packaging states that it held an air permit issued by IDEM for the facility prior to the Welch purchase of Barger Packaging Assets. Copies of the air permit are available on IDEM Virtual File Cabinet. *available at:* <http://vfc.idem.in.gov/Pages/Public/Search.aspx> Moreover, Welch Packaging, operating as Barger Packaging, held a RCRA Generator ID number of IND0054217021. The Welch Companies are not aware of the specific environmental

permits held by Colbert Packaging at the Property in the period beginning March 1, 2004, but expect relevant permits can be found on the IDEM Virtual File Cabinet.

6. Identify any persons or entities, other than those responding to this information request, that may have information about the history, use, purchase, storage, treatment, disposal, transportation or handling of any materials containing chlorinated solvents at any facilities in the area identified as the Lusher Street Ground Water site.

RESPONSE:

- **William True, Former Operations Manager, Current Contact Information Unavailable**
 - **Steven Hart, Former HR and Safety Manager, Current Contact Information Unavailable**
 - **Krieg Lee, Former General Manager, Current Contact Information Unavailable**
7. To the extent you believe that another person, including any previous property owner, is responsible for any leaks, spills or releases into the environment of any chlorinated solvents or materials containing chlorinated solvents at or from any facility you or your company have owned, operated, or leased within the boundaries of the site, identify:
- a) the name and address of that person or persons;
 - b) when, where, and how such leaks, spills or releases occurred;
 - c) the amount of each leak, spill or release; and
 - d) the detailed basis for your belief that each such person is responsible for leaks, spills or releases, including any transactional documents, reports, or other documentation supporting your belief.

RESPONSE:

As stated in response to Request 5, the Welch Companies is not aware of any leaks, spills, or releases into the environment of any chlorinated solvents or materials containing chlorinated solvents at the Property which is the only property the Welch Companies owned or operated within the boundaries of the Site. Therefore, the Welch Companies are unaware of any leaks, spills, or releases caused by "other persons including any previous property owner."

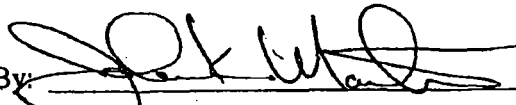
Respectfully submitted,

WELCH PROPERTIES, INC.

By: 
Its: CFO

Date: February 3, 2014

WELCH PACKAGING GROUP, INC.

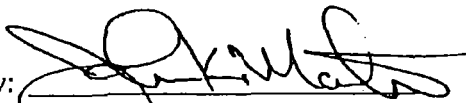
By: 
Its: CFO

Date: February 3, 2014

CERTIFICATION

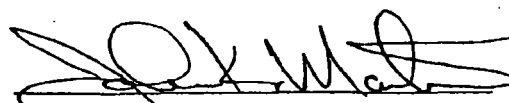
I hereby certify that the foregoing responses are true and correct to the best of my knowledge and belief based upon the information and records available to me.

WELCH PROPERTIES, INC.

By: 
Its: CFO

Date: February 3, 2014

WELCH PACKAGING GROUP, INC.

By: 
Its: CFO

Date: February 3, 2014

Response to No. 1
PUBLIC INFORMATION

AMENDMENT TO REAL ESTATE LEASE

This document ("Amendment") amends a Real Estate Lease made as of August 1, 1996 between Welch Properties of Elkhart, Inc., an Indiana corporation ("Lessor") and Barger Packaging Corporation, an Indiana corporation ("Lessee").

The Real Estate Lease relates to land and buildings located at 1511 and 1425 W. Lusher Avenue, Elkhart, Indiana, as described in Exhibit A, which supplements the original document.

Pursuant to a previous Amendment to Real Estate Lease dated January 1, 1997, Lessor granted Lessee an option to renew the lease, upon the same terms and at the same monthly rental, for a renewal term beginning January 1, 2000 and ending December 31, 2002.

As of this date, Lessee has exercised its option to renew the lease for a renewal term beginning January 1, 2000 and ending December 31, 2002. Therefore, Paragraph 1 of the original Real Estate Lease is amended to provide for the extension of this Lease to December 31, 2002.

It is agreed between the parties herein that Paragraph 2 of the original Real Estate Lease shall be amended to provide that the monthly rent payable for the Premises shall be equal to [REDACTED] Dollars (calculated at approximately [REDACTED] sq. ft. x [REDACTED], commencing on January 1, 2000. This increase is due to the current market conditions and in keeping with the standardized rental rate of Welch Properties of Elkhart, Inc. for all of its leased properties in Elkhart, Indiana.

In all other respects, the terms of the original Real Estate Lease remain in full force and effect as originally agreed to between the parties.

The parties have executed this Amendment to the Real Estate Lease this 31st day of December, 1999.

WELCH PROPERTIES OF
ELKHART, INC.

By: M. Scott Welch
M. Scott Welch, President

By: Christopher J. Welch
Christopher J. Welch
Secretary

"LESSOR"

BARGER PACKAGING CORPORATION

By: M. Scott Welch
M. Scott Welch, Chairman
and Chief Executive Officer

"LESSEE"

PUBLIC INFORMATION

AMENDMENT TO REAL ESTATE LEASE

This document (Amendment) amends a Real Estate Lease made as of August 1, 1996 between Welch Properties of Elkhart, Inc., an Indiana corporation (" Lessor ") and Barger Packaging Corporation, an Indiana corporation (" Lessee ").

The Real Estate Lease relates to land and buildings located at 1511 & 1425 W. Lusher Ave., Elkhart, Indiana, as described in Exhibit A, which supplements the original document.

Paragraph 1. of the Real Estate Lease is amended so as to provide that the initial term is three years, five months, ending on December 31, 1999. The rent for the entire initial three year, five month term is [REDACTED] ([REDACTED]) per month, payable in arrears on the first day of each and every successive month during the Lease Term.

Lessor grants Lessee an option to renew the lease, upon the same terms and at the same monthly rental, for a renewal term beginning January 1, 2000 and ending December 31, 2002.

The parties have executed this Amendment to the Real Estate Lease this 1st day of January, 1997.

LESSOR:

WELCH PROPERTIES OF ELKHART, INC.

By:

M. Scott Welch
M. Scott Welch, President

LESSEE:

BARGER PACKAGING CORPORATION

By:

M. Scott Welch
M. Scott Welch, Chairman and
Chief Executive Officer
Douglas R. Freeman
TREASURER

LEASE AGREEMENT

THIS AGREEMENT is made and entered into as of _____, 1996, by and between Welch Properties of Elkhart, Inc., an Indiana Corporation, ("Lessor") and Barger Packaging Corporation, an Indiana Corporation ("Lessee").

RECITALS

Lessor is the owner of the real estate more particularly described on attached Exhibit A, and the improvements on that real estate (the "Premises") and Lessee desires to lease the Premises from Lessor. The parties accordingly agree as follows.

AGREEMENT

1. Lease Term. The Lessee shall have and hold the Premises for and during the term commencing on _____, 1996, and ending at 12:01 a.m. on January 1, 1997 or until such earlier termination as provided in this Lease (the "Lease Term").
2. Rent. Lessee shall pay Lessor as rent for the Premises the sum of _____ in arrears on the first day of each and every successive month during the Lease Term, commencing with the first day of _____, 1996, and with the final payment on January 1, 1997. Such rental payments shall be made to Lessor at 51670 Herman Street, Elkhart, Indiana, 46516, or at such other place or places as Lessor may designate in writing.
3. Net, Net, Net Lease. It is stipulated and understood by the Lessee and the Lessor that this is a net, net, net lease and that the Lessee shall pay in addition to the rent provided in Paragraph 2 and as additional rent, all taxes, assessments or levies assessed against the Premises, all insurance premiums, utilities and all maintenance and repairs of the Premises. Lessee shall promptly pay (in addition to the rent) all water, sewerage, electric, power, gas and heating bills taxed, levied, or charged against the Premises for and during the Lease Term.
4. Repair and Maintenance. Lessee will keep the interior and exterior of the Premises in good repair, including the roof and walls, replacing all broken glass with glass of the same size and quality as that broken, and will keep the Premises and appurtenances, as well as all eaves, downspouting, catch basins, drains, stools, lavatories, sidewalks, adjoining alleys and all other facilities and equipment in connection with said premises, in a clean and healthy condition, according to city or county ordinances and state laws, and the direction of the proper public officers, during the term of this Lease, at Lessee's expense, and upon the termination of this Lease in any way, will yield up the Premises to Lessor in good condition and repair (loss by fire and ordinary wear excepted) and will deliver all keys to the Premises to Lessor.
5. No Lessor Liability. Lessor shall not be liable for damage caused by hidden defects or failure to keep the Premises in repair and shall not be liable for any damage done or occasioned by or from plumbing, gas, water, steam, or other pipes, or sewerage, or the bursting or leaking of pipes or of any plumbing or heating fixtures or waste or soil pipe

existing in connection with the Premises, nor for damage occasioned by water, snow or ice being upon sidewalks or coming through the roof, sky-light, trap door or otherwise, nor for any damages arising from negligence of co-tenants or other occupants of the Premises, or the agents, employees or servants of any of them, or of any owners or occupants of adjacent or contiguous property.

6. Lessee Indemnification of Lessor. The Lessor shall not be liable for any personal injury, death or property damage or destruction or consequential damages suffered by the Lessee or any other person, occurring on or in front of the Premises, irrespective of whether such injury, death, damage or destruction is caused by a defect in the Premises or by reason of the Premises becoming out of repair or arising from any other cause whatsoever, and the Lessor shall not be liable for damage to Lessee's property or to the property of any other person which may be located in or upon the Premises and the Lessee agrees to indemnify and save harmless the Lessor from any and all claims, damages (whether compensatory, consequential or punitive) and whether determined through adjudication or settlement, and all expenses, including all attorneys' fees and costs of litigation arising out of personal injuries, death, property damage or destruction, or any other legal injury to persons or property occurring on or about the Premises.

7. Use of Premises: No Sublease or Transfer. The Lessee will not allow the Premises to be used for any purpose that will increase the rate of insurance on them, nor to be occupied in whole or in part by any other person, and will not sublet the Premises or any part of them, nor assign this Lease or any part of it without, in each case first obtaining the written consent of the Lessor, which consent shall not be unreasonably withheld. The Lessee will not permit any transfer, voluntarily or by operation of law, of any interest in the Premises acquired through this Lease, and will not permit the Premises to be used for any unlawful purpose or purposes that will injure the reputation of the Premises.

8. Hazardous Wastes. As a material inducement for Lessor to enter into this Lease, Lessee represents and warrants that Lessee will maintain and use the Premises free from contamination by or from any "hazardous substances" or "hazardous wastes" (as such terms are defined and/or used in applicable state or federal law or the regulations issued under them, including, without limitation, the federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and the Resource Conservation and Recovery Act ("RCRA")). Lessee shall not engage in or permit any tenant or subtenant of Lessee under any lease or sublease affecting the Premises to engage in operations at or upon the Premises which involve the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of hazardous substances or hazardous wastes except in strict compliance with all federal, state and local laws, regulations and rules and under and in compliance with all required permits. Lessee further covenants that it will not cause or permit to exist as a result of an intentional or unintentional action or omission on its part or on the part of any tenant or subtenant of Lessee under any lease affecting the Premises, the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping from, on or about the Premises of any such hazardous substances or hazardous wastes.

Lessee agrees to indemnify and hold harmless Lessor, its subsidiaries and affiliates, and any officer, director, shareholder, employee, or any agent of Lessor or its affiliates,

subsidiaries, successors or assigns (collectively, the "Indemnified Parties"), from any and all liability, damages, costs, claims, suits, actions, legal or administrative proceedings, interest, losses, expenses, and reasonable attorneys' fees and appellate attorneys' fees (including any such fees and expenses incurred in enforcing this indemnity) resulting from, arising out of, or in any way connected with breach or alleged breach of the provisions of the preceding paragraph of this Paragraph, including but not limited to monetary damages, expenses, injury to or the death of any person (including that of any Indemnified Party) or physical damage to property of any kind wherever located and by whomever owned (including that of any Indemnified Party) arising out of or in any way connected with the presence on, in or under the Premises of any asbestos, polychlorinated biphenyls (PCB's) or the generation, handling, storage or disposal of any hazardous substances or hazardous wastes in violation of the provisions of the preceding paragraph of this Paragraph. This indemnification is an independent covenant and shall survive the termination of this Lease.

9. Alteration to Premises. No alterations, changes or additions to the Premises shall be made without first obtaining Lessor's written consent, which consent shall not be unreasonably withheld. Lessee shall make such remodeling, alterations or additions at Lessee's expense and shall promptly pay for all materials and labor involved in making them. Lessee shall not permit any liens or claims or demands of any nature to exist against the Lessor or the Premises. If any lien, claim or demand or any action for enforcement shall be filed or made against the Lessor or the Premises the Lessee shall defend at Lessee's expense and Lessee shall indemnify and hold harmless the Lessor from any and all liability or expense arising by virtue of such claim, demand or lien or the defense of any enforcement action. Any alterations, changes or additions which are made to the Premises shall, at the option of Lessor, become a part of the Premises and remain as the property of the Lessor at the termination of this Lease. If the Lessor requires the Lessee to restore the Premises to the original condition of the Premises before the execution of this Lease, then the Lessee shall restore the Premises to such condition at Lessee's expense, and all of the provisions of this Lease with reference to such restoration contracts, liens, demands and expenses shall apply to the restoration as well as to the original alterations, changes or additions.

10. Eminent Domain. If at any time during the term of this Lease a substantial part of the Premises shall be taken for any public or quasi-public use, under any statute, or by right of eminent domain, then when possession shall have been taken of the Premises by the condemning authority, the term of this Lease, and all right of the Lessee under this Lease, shall immediately cease and terminate, and the rent shall be apportioned and paid to the time of such termination.

If less than a substantial portion of the Premises shall be so taken or condemned but the utility of the Premises to Lessee shall be destroyed by such taking or condemnation, Lessee shall have the option to terminate this Lease as of the date of such taking or condemnation by delivery of written notice of exercise of such option to Lessor, not later than thirty (30) days after the condemning authority shall have taken possession. If such option is exercised by Lessee, rent shall be apportioned to the date Lessee surrenders possession of the Premises to Lessor. If Lessee does not exercise such option to terminate this Lease, this Lease shall remain in full force and effect as to the portion of the Premises

remaining, except that the rent shall be reduced in the proportion that the floor area of the building(s) on the Premises which are taken or condemned bears to the total floor area of the building(s) on the Premises. If this Lease is not terminated by reason of a condemnation, Lessor shall to the extent of severance damages received by Lessor in connection with such condemnation, repair any damage to the Premises caused by such condemnation, and Lessee shall pay any amount in excess of such severance damages required to complete such repair.

If this Lease is terminated because of condemnation, such termination shall be without prejudice to the rights of either Lessor or Lessee to recover compensation from the condemning authority for any loss or damage caused by such condemnation. Neither Lessor nor Lessee shall have any rights in or to any award made to the other by the condemning authority.

11. Insurance. During the term of this Lease, the Lessee at its own cost and expense shall:

(a) Provide and keep in force in such form as shall be satisfactory to the Lessor, public liability insurance policies protecting the Lessor against any and all liability and in the amounts of not less than [REDACTED] ([REDACTED]) in respect to any one accident or disaster and in the amount of not less than [REDACTED] ([REDACTED]) in respect to injuries to any one person, and property damage of not less than [REDACTED] ([REDACTED]); Lessee shall in addition provide not less than [REDACTED] ([REDACTED]) under fire and extended coverage insurance in a company satisfactory to the Lessor, and such insurance must show the Lessor and Lessee as insureds as their interests may appear. At the request of the Lessor, any mortgagee under a mortgage for the Premises shall also be shown as an insured under a mortgagee endorsement to any such insurance policy.

(b) All premiums and charges for all the policies of insurance referred to in subparagraph (a) shall be paid by the Lessee and if the Lessee shall fail to make any such payment when due, or carry any such policy, the Lessor may, but shall not be obligated to, make such payment or carry such policy, and the amount paid by the Lessor, with interest, shall be repaid to the Lessor by the Lessee on demand, and all such amounts so repayable together with interest at the rate of 8% per annum, shall be considered as additional rent, for the collection of which the Lessor shall have all of the remedies provided in this Lease or by law provided for the collection of rent. Payment by the Lessor of any such premium or the carrying by the Lessor of any such policy shall not be deemed to waive or release any default of the Lessee.

(c) Ten (10) days prior to the expiration of any policy of insurance referred to in subparagraph (a), the Lessee shall deliver to the Lessor evidence of such insurance and that such coverage is effective. Any certificate or binder evidencing insurance shall provide that at least ten (10) days written notice of any change in or cancellation of insurance coverage shall be given by the insurance company to the Lessor.

(d) The Lessee shall not violate or permit to be violated any of the conditions or provisions of any policy of insurance referred to in subparagraph (a), and the Lessee shall so perform and satisfy the requirements of the company or companies writing such policies of insurance that at all times companies of good standing satisfactory to the Lessor shall be willing to write and continue such insurance.

(e) The Lessee and the Lessor shall cooperate with each other and with the appropriate insurance carriers in connection with the collection of any insurance monies that may be due in the event of loss.

12. Repair of Premises. In the event of damage to or destruction of the Premises by fire or other casualty, the Lessee, at its sole expense, shall promptly restore the Premises as nearly as possible to their condition prior to such damage or destruction. All insurance proceeds received by the Lessor pursuant to the provisions of this Lease, less the cost if any of such recovery, shall be applied by the Lessor to the payment of the cost of such restoration, as such restoration progresses. If the proceeds of insurance are insufficient to pay the full cost of restoration or repair, the Lessee shall pay the deficiency. If the insurance proceeds exceed such cost, the excess shall be paid to the Lessee.

13. Lessor Performance of Lessee's Obligations. In case the Lessor shall pay or be compelled to pay any sum of money or do any act which shall require the expenditure of payment of any sum by reason of the failure of the Lessee, after such notice, if any, as the Lessee by the terms of this Lease may be entitled to, to perform any one or more of the terms, covenants, conditions or agreements contained in this Lease, the Lessee shall immediately repay all such amounts to the Lessor upon demand, together with interest at the rate of 8% per annum from the date of demand until fully paid to Lessor.

14. Lessee's Obligations on Termination. The Lessee shall, on or before the last day of the Lease Term or its earlier termination in accordance with this Lease, peaceably and quietly leave, surrender and yield up unto the Lessor the Premises and all the buildings, improvements or additions to the Premises in good order, condition and state of repair, reasonable wear and tear and damage by the elements excepted. All movable trade fixtures or movable personal property owned by the Lessee shall be removed by the Lessee on or before the termination of the Lease Term and all property not so removed shall be deemed abandoned by the Lessee to the Lessor, subject, however, to any valid security agreements with any creditor of the Lessee.

15. Events of Default. Each of the following shall be deemed a default by the Lessee and a breach of this Lease:

(a) Failure to pay the rent, or any part of it, (except for additional rent), for a period of ten (10) days after such rent is due.

(b) Failure to do, observe, keep and perform any of the terms, covenants, conditions, agreements and provisions of this Lease on the part of the Lessee to be

done, observed, kept and performed, including failure to pay additional rent not subject to subparagraph (a) and other sums due to Lessor under this Lease, if any, for a period of thirty (30) days after written notice mailed by Lessor to Lessee.

(c) The abandonment of the Premises by the Lessee, the filing of a voluntary or involuntary petition under the Bankruptcy Act concerning the Lessee, the making by the Lessee of a general assignment for the benefit of creditors, the taking by the Lessee of the benefit of any insolvency act or law, the calling by Lessee of a meeting of creditors, the admission in writing by Lessee of inability to pay its obligations as they become due, the offering by Lessee of a composition to creditors of Lessee, the appointment of a permanent receiver or trustee in bankruptcy for the Lessee's property, or the appointment of a temporary receiver which is not vacated or set aside within ninety (90) days after the date of such appointment.

(d) Dissolution of the Lessee or other disposition of all or substantially all of its assets provided, that the Lessee may, without violating the lease provisions, consolidate with or merge into another domestic corporation (that is, a corporation organized and existing under the laws of one of the States of the United States of America), or permit one or more other corporations to consolidate with or merge into it, or sell or otherwise transfer to another corporation all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee corporation, as the case may be, (i) is authorized to do business in Indiana, (ii) is a domestic corporation as described above and (iii) assumes in writing all of the obligations of Lessee under this Lease.

(e) For the purpose of subparagraph (b) of this Paragraph, if a default is other than one which may be cured by the payment of money, no default on the part of the Lessee in the performance of work required to be performed or acts to be done or conditions to be met shall be deemed to exist if steps shall have been commenced promptly by the Lessee to rectify the failure of performance and shall be prosecuted to completion with diligence and continuity.

In the event of any default by the Lessee, and at any time thereafter, the Lessor at Lessor's option may serve a written notice upon the Lessee that the Lessor elects to terminate this Lease upon a specified date not less than thirty (30) days after the date of serving such notice and this Lease shall then terminate on the date specified as if that date had been originally fixed as the expiration date of the term of this Lease, unless such default shall have been cured within the applicable period provided in that notice. No default or failure to perform by the Lessee shall be deemed waived unless the waiver is in writing, signed by the Lessor.

16. Termination. If this Lease shall be terminated as provided in Paragraph 15, or if the Premises, or any part of them, shall be abandoned by the Lessee, the Lessor, or Lessor's agents, servants or representatives, may immediately or at any time thereafter, re-enter and resume possession of the Premises or any part so abandoned, and remove all persons and property without judicial process if this can be done without breach of the

peace, or may proceed by a suitable action or proceeding at law, or by legal force or otherwise, without being liable for any damage. No re-entry by the Lessor shall be deemed an acceptance of a surrender of this Lease or a liquidation or satisfaction to any extent whatever of Lessee's liability to pay rent as provided in this Lease. Lessor shall, however, upon taking possession of the Premises attempt reasonably to re-rent the Premises at a reasonable rental to a suitable tenant as quickly as possible.

17. Re-Letting Premises. If this Lease shall be terminated as provided in Paragraph 15, or if the Premises, or any part of them, shall be abandoned by the Lessee, the Lessor may in its own name, but as agent for the Lessee, if the Lease be not terminated, or if the Lease be terminated, in its own behalf relet the whole or any portion of the Premises, for any period equal to or greater or less than the remainder of the Lease Term, for a reasonable rental, to any lessee which the Lessor believes suitable and satisfactory and for any use and purpose which Lessor may deem appropriate. In no event shall the Lessor be under any obligation to relet the Premises for any purpose which the Lessor may regard as injurious to the Premises, or to any lessee which the Lessor, in Lessor's sole discretion, shall deem to be objectionable. The Lessor shall not in any event be required to pay the Lessee any surplus of any sums received by the Lessor on a re-letting of the Premises in excess of the rent reserved in this lease.

18. Remedies. If this Lease be terminated by appropriate proceedings, or if the Premises shall have been abandoned and whether or not the Premises be relet, the Lessor shall be entitled to recover from the Lessee, and the Lessee shall pay to the Lessor, the following:

(a) All reasonable costs and charges for the care of the Premises while vacant;

(b) An amount equal to the amount of all rent and additional sums, if any, due under this Lease, less the rent, if any, collected by the Lessor from the date of re-letting the Premises through the date on which the Lease Term would have expired under Paragraph 1 had the lease not been earlier terminated. Such rent collected on re-letting by the Lessor shall be computed by deducting from the gross rent collected all expenses incurred by the Lessor in connection with the reletting of the Premises; and

(c) Such costs and expenses, if any, to which Lessor shall be entitled under paragraph 26 of this Lease.

19. No Waiver. It is expressly agreed that no waiver shall be deemed to result from the failure of Lessor to require strict performance of any condition, covenant or agreement, but only a written waiver signed by Lessor shall be effective as a waiver. A waiver on one occasion or concerning a particular provision of this Lease shall not estop the Lessor from enforcing such condition, covenant or agreement at any other time, nor be deemed a waiver of any other condition, covenant or agreement.

20. Inspection Signs. Lessor or Lessor's agents shall at all times on reasonable notice (which need not be written, notwithstanding anything to the contrary in Paragraph 22) during business hours be permitted on or about the Premises for the purpose of inspecting the Premises. During the three (3) months preceding the expiration of the Lease Term the Lessor or Lessor's agents shall have the right to place notices on the front or any part of the Premises, offering the Premises "For Rent" or "For Sale" and the Lessee shall permit those notices to remain without hindrance or molestation.

21. Modification Only in Writing. None of the terms, covenants, conditions and agreements of this Lease shall in any manner be revoked, waived or modified, nor shall term of the Lease or any part of it be surrendered except by a written instrument signed by both Lessor and Lessee.

22. Notices. Any notices required or permitted to be given under this Lease either by Lessor to the Lessee, or by the Lessee to the Lessor shall be in writing and shall be deemed given when the party giving such notice shall have deposited such notice in the United States mail with the proper postage prepaid, addressed to the other party at such address as that party shall have furnished for that purpose. Until notice of a different address is given by a party, notices may be given to the respective parties at the following addresses:

If to Lessor:

Welch Properties of Elkhart, Inc.
56170 Herman Street
Elkhart, IN 46516
ATTENTION: M. Scott Welch, President

If to Lessee:

Barger Packaging Corporation
1511 W. Lusher Avenue
Elkhart, IN 46517
ATTENTION: M. Scott Welch, Chairman and Chief Executive Officer

23. Quiet Enjoyment. So long as the Lessee pays the rent, and all sums owed by Lessee under this Lease, and fully performs all the terms, covenants, conditions and agreements of this Lease required to be performed by the Lessee, the Lessee shall peaceably and quietly enjoy the Premises, subject however to the terms of this Lease.

24. Consent to Assignments and Mortgage by Lessor. This Lease is subject and subordinate to the lien of the mortgage now in existence covering the Premises. Lessee consents to the assignment of this Lease by Lessor to any bank or banking institution or other lending agency as security for a loan or mortgage on the Premises, and Lessee

consents to the granting by Lessor of a mortgage or mortgages in the Premises or any part of them.

25. Taxes. The Lessee shall pay all taxes and assessments on the Premises which become payable during the Lease Term. The Lessor shall furnish to the Lessee a copy of official statements from the appropriate governmental authority indicating the total amount of taxes or assessments on the Premises. The Lessee shall pay the full amount of such taxes and assessments on or before the due date, and furnish copies of receipts or other evidence showing such payments.

The Lessee shall have the right to contest and review by legal proceedings, instituted and conducted by the Lessee at the Lessee's own expense and free of expense to the Lessor, any real estate taxes, assessments, or other charges imposed upon or against the Premises. If the Lessee exercises its right to review by legal proceedings any such real estate taxes, assessments, or other charges imposed upon or against the Premises, the Lessee shall continue to pay as they become due and payable, the full amount of such taxes, assessments, other charges under protest, if it be so advised. The term "legal proceedings" includes appropriate appeals of any judgments, decrees, orders and certiorari proceedings and appeals of orders in such proceedings, to and including appeals to the court of last resort.

26. Legal Fees. If either party to this Lease seeks to enforce such party's rights under this Lease by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party including, without limitation, all reasonable attorneys' fees.

27. Recording. This Lease shall not be recorded unless agreed to in writing by both Lessor and Lessee. Lessor and Lessee shall, at the option of Lessee, execute and deliver a memorandum of this Lease in recordable form, but any memorandum of this Lease shall not in any circumstances be deemed to change or modify any of the provisions of this Lease, the provisions of which shall in all instances prevail.

28. Merger of Prior Leases. Any prior lease of the Premises between the Lessor and Lessee is revoked in its entirety, and this Lease shall supersede any existing lease of the Premises between the Lessor and Lessee.

29. Successors. All the terms, covenants, conditions and agreements contained in this Lease shall in every case be binding upon the respective successors and assigns of the respective parties hereto.

30. Captions. Captions used in this Lease are for convenience of reference only and are not intended to have any substantive effect.

31. Waiver of Subrogation. The parties mutually agree to release and relieve the other, and waive their entire right of recovery against the other for loss or damage occurring in, on or about the Premises, arising out of fire or other perils resulting from the negligence of the other party, or its agents and employees, where such damage or loss is covered by fire, extended coverage or other insurance of the party sustaining the loss or damage. This

PUBLIC INFORMATION

JAN 11 '00 03:35PM BARGER PACKAGING

P.12

release shall apply only to the extent that such loss or damage is covered by fire, extended coverage or other insurance, regardless of whether such insurance is payable to or protects Lessor, Lessee or both parties. Nothing in this paragraph shall be construed to impose any other or greater liability on either Lessor or Lessee than would have existed in the absence of this paragraph. This release shall be in effect only so long as the applicable insurance policies contain clauses to the effect that this release shall not affect the right of the insured to recover under such policies of fire, extended coverage or other insurance or, if such clauses are not contained, this release shall not affect the right of the insured to recover under such policies.

32. Rights Cumulative. The rights given to the Lessor in this Lease are in addition to any rights that may be given to the Lessor by any statute, rule of law or otherwise. This Lease shall be governed by and construed under the laws of the State of Indiana.

LESSOR:

WELCH PROPERTIES OF ELKHART, INC.

By:

M. Scott Welch, President

LESSEE:

BARGER PACKAGING CORPORATION

By:

M. Scott Welch, Chairman and
Chief Executive Officer

STATE OF INDIANA)

COUNTY OF ELKHART)

) SS:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared M. Scott Welch, the President of Welch Properties of Elkhart, Inc., and as such officer for and on behalf of said corporation, acknowledged the execution of the foregoing Lease Agreement as the free act and deed of said corporation as of the date first set forth above.

PUBLIC INFORMATION

JAN 11 '00 03:35PM BARGER PACKAGING

P.13

Witness my hand and Notarial Seal.

_____, Notary Public
Residing in Elkhart County, Indiana

My Commission Expires:

STATE OF INDIANA)
) SS:
COUNTY OF ELKHART)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared M. Scott Welch, the Chairman and Chief Executive Officer of Barger Packaging Corporation, and as such officer for and on behalf of said corporation, acknowledged the execution of the foregoing Lease Agreement as the free act and deed of said corporation as of the date first set forth above.

Witness my hand and Notarial Seal.

_____, Notary Public
Residing in Elkhart County, Indiana

My Commission Expires:

This instrument prepared by Samuel S. Thompson of the law firm of Barnes & Thornburg, 301 South Main Street, Suite 305, Elkhart, Indiana 46516.

Exhibit A

The following described real estate located in Elkhart County, Indiana:

Lots Numbered Twenty-two (22) through Thirty (30) inclusive, and the North half (N 1/2) of the vacated alley adjacent to the South of said Lots; and Lots Numbered One Hundred Twenty (120) through One Hundred Twenty-Seven (127) inclusive, and the South half (S 1/2) of the vacated alley immediately North of said Lots, all as the said Lots are known and designated on the recorded Plat of MARKEL'S FIRST ADDITION to the City of Elkhart, Indiana; said Plat being recorded in Deed Record 116, page 21 in the Office of the Recorder of Elkhart County, Indiana.

Also: A tract of land in the Northeast Quarter (NE 1/4) of Section Eighteen (18), Township Thirty-Seven (37) North, Range Five (5) East in the City of Elkhart, Elkhart County, Indiana, said tract being the vacated Lots Numbered Thirty-One (31) to Thirty-Nine (39) inclusive, and One Hundred Ten (110) to One Hundred Nineteen (119) inclusive, as shown the recorded Plat of MARKEL'S FIRST ADDITION to said City; said Plat being recorded in Deed Record 116, page 21 in the Office of the Recorder of Elkhart County, Indiana; Also the vacated alleys adjacent to said vacated Lots, all being more particularly described as follows:

Commencing at the Northwest corner of Fieldhouse Avenue and Fifteenth Street (said corner also being the Southeast corner of Lot Numbered One Hundred Twenty (120) in said Addition; thence West Forty (40) feet to the Southwest corner of said Lot One Hundred Twenty (120) for the place of beginning; thence Northwardly parallel with the West line of said Fifteenth Street, One Hundred Forty and Twenty-Five hundredths (140.25) feet to the center of a vacated alley; thence Westwardly along the center of said vacated alley, Forty (40) feet; thence Northwardly parallel with the West line of said Fifteenth Street, One Hundred Forty and Twenty-five hundredths (140.25) feet to the South line of West Lusher Avenue; thence Westwardly along the South line of said West Lusher Avenue, Three Hundred Seventy-Four (374) feet; thence Southwardly parallel with the West line of said Fifteenth Street, Two Hundred Eight and Five Tenths (280.5) feet to the North line of said Fieldhouse Avenue; thence Eastwardly along the North line of said Fieldhouse Avenue, Four Hundred Fourteen (414) feet to the place of beginning.

REAL ESTATE LEASE AGREEMENT

THIS Real Estate Lease Agreement (this "Lease"), made and entered into as of the 1st day of March 2004, by and between Welch Properties of Elkhart, Inc., an Indiana corporation located at 1020 Herman Street, Elkhart, Indiana 46516 ("Landlord"), and Colbert Packaging Corporation, an Indiana corporation located at 28355 North Bradley Road, Lake Forest, Illinois 60045 ("Tenant"),

WITNESSETH THAT:

FOR AND IN CONSIDERATION of the conditions, covenants, and agreements hereinafter contained, Landlord and Tenant hereby agree as follows:

1. Lease of Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the following described real estate commonly known as 1511 West Lusher Avenue, Elkhart, Indiana, which is more fully described in Exhibit "A" attached hereto, together with all improvements and other rights appurtenant thereto (the "Premises").

2. Term and Options to Extend. Unless this Lease is terminated earlier as hereinafter provided, Tenant shall (a) have and hold the Premises for an original term (the "Original Term") of two (2) years beginning as of the date hereof, and (b) shall have the option to extend this Lease for two (2), five (5) year periods ("Renewal Option") upon the terms and conditions set forth herein. Tenant may only exercise its option to extend the lease term by giving written notice of such exercise to Landlord at least ninety (90) days prior to the expiration of the Original Term or first extended term of this Lease, as appropriate.

3. Landlord's Representations and Warranties. Landlord hereby represents and warrants to Tenant that: (a) Landlord owns the Premises, free and clear of any and all liens and encumbrances, except as set forth on Schedule 3; (b) as of the date hereof, Landlord has no Knowledge of any non-compliance by the Landlord with respect to any material law having specific application to the Premises; and (c) to the Knowledge of Landlord, as of the date hereof, no hazardous material is on the Premises other than hazardous materials which are used in the ordinary course of business and in material compliance with applicable environmental law. For purposes of this Section 3, the term "Knowledge" means that Landlord has actual knowledge of a particular fact or matter contained in this Section 3.

4. Landlord's Rights to Use the Premises. Tenant shall permit Landlord to warehouse (free of charge) certain assets owned by Landlord at the Premises and continue light manufacturing in the area of the Premises set forth on Exhibit "B". Landlord shall have access to the Premises, including parking areas, access and common areas, walkways and driveways, during normal working hours and at other reasonable times as requested by Landlord; provided that such use shall not materially interfere with Tenant's use and enjoyment of the other portions of the Premises and Landlord shall obtain Tenant's consent (which shall not be unreasonably withheld or delayed) before moving any of Landlord's equipment or using the docks at the Premises. Landlord hereby agrees to indemnify and hold harmless Tenant from and against any and all loss, liability, claim, damage, and expense incurred by Tenant (net of any insurance proceeds received by Tenant) as a result of

Landlord's use of a portion of the Premises, as set forth in this Section 4. Landlord will make a necessary routine repairs to the portion of the Premises it uses pursuant to this Section 4 during its period of use. Landlord may use the Premises as permitted under this paragraph until sixty (60) day after Tenant provides Landlord with a request to vacate the Premises. At the end of such sixty (60) day period, Landlord shall remove its assets and cease its light manufacturing operations; provided however, that in no event shall Landlord be required to vacate the premises prior to eight (8) month from the date hereof. During the term of its use as provided in this Section 4, Landlord shall be solely responsible for maintaining (a) insurance on its personal property which shall contain a waiver of subrogation in favor of Tenant, and (b) general liability insurance naming Tenant as an additional insured in an amount equal to at least [REDACTED].

Except as otherwise set forth herein, Tenant accepts the Premises AS IS subject to all applicable laws, ordinances, regulations, covenants and restrictions.

5. Payment of Rent. Tenant agrees to pay Landlord at the address set forth above, or at such other place designated by Landlord, rent in equal monthly installments as set forth below on the fifteenth (15th) day of each month during the term of this Lease; provided however, that if the Original Term of this Lease does not begin on the fifteenth day or end on the fourteenth day of a month, the rent for that partial month shall be prorated by multiplying the monthly rent by a fraction, the numerator of which is the number of days in the partial month and the denominator of which is thirty (30).

Monthly rent installments will be [REDACTED] until the earlier of (a) any sale or lease of the building now leased by Tenant and owned by Colbert Packaging Associates, LLC located at 3620 McGill Street, South Bend, Indiana (the "Colbert Building"), or (b) the completion of the Original Term (the "Reduced Rent Term"). Tenant shall notify Landlord in writing of the sale or lease of the Colbert Building with ten (10) days of such sale or lease.

Upon the expiration of the Reduced Rent Term, rent payments shall increase to [REDACTED] (\$[REDACTED]) per month.

Rent Payment Schedule

| Applicable Portion of Lease Term | | Rate Per Rentable Square Feet Per Annum | Total Building Rental Square Feet | Annual Base Rent | Monthly Base Rent Installment (Annual ÷ 12) |
|-------------------------------------|-----------|---|-----------------------------------|------------------|---|
| Beginning | Ending | | | | |
| Month 01 | Month 24 | [REDACTED] | 102,000 | [REDACTED] | [REDACTED] |
| Expiration of the Reduced Rent Term | | | | | |
| Month 25 | Month 84 | [REDACTED] | 102,000 | [REDACTED] | [REDACTED] |
| Month 85 | Month 144 | [REDACTED] | 102,000 | [REDACTED] | [REDACTED] |

6. Late Payments. If the full amount of any installment of rent or other amount due hereunder is not paid within fifteen (15) days of the due date, it will be assessed a late charge in an

amount equal to the lesser of: (a) five percent (5%) of the unpaid amount, and (b) [REDACTED], which such amount will be immediately due and payable by Tenant.

7. Use and Maintenance

(a) Tenant shall use the Premises only for the business of manufacturing carton and related operations consistent with the prior use by Landlord. Tenant agrees that it shall not use or occupy nor permit the Premises or any part thereof to be used or occupied in any unlawful manner, for any unlawful purpose, in a manner inconsistent with zoning for the Premises.

(b) Landlord shall (at its sole cost and expense) make any required capital expenditures associated with repairing the parking lot and maintain in good repair and in a safe and structurally sound condition (including any repairs or replacements to) the roof, foundation, exterior walls, exterior and below ground utilities, and all structural components of the improvements to the Premises, except as hereinafter provided. Damage caused by Tenant, Tenant's vendors, freight carriers, guests, invitees, licensees, customers or any other contracted service provider of Tenant during the term of this Lease shall be Tenant's responsibility to the extent not covered by Landlord's fire and extended coverage insurance.

(c) Landlord shall, upon Tenant's written request and after completion of the Reduced Rent Term, remove the cement foundations. Landlord shall use commercially reasonable methods to remove the cement foundations in a timely manner.

(d) During the term of this Lease (at Tenant's sole cost and expense), Tenant shall (i) maintain the interior walls, ceilings, floors, windows and doors to the improvements situated on the Premises, (ii) be responsible for the periodic re-sealing and re-marking of the parking area, and routine maintenance of the landscaping and green areas of the Premises so that such parking area, landscaping and green areas are maintained substantially in the same condition as on the date of this Lease, ordinary wear and tear excepted, (iii) provide routine maintenance for the parking lot and any lights located upon the parking lot and shall remove graffiti from exterior walls and parking areas promptly, (iv) maintain and repair the heating, ventilation and air conditioning systems, fire protection systems, fire sprinklers, electrical, plumbing and other mechanical and building systems serving the Premises, (v) remove all snow and ice from the Premises, (vi) maintain any improvements and equipment it locates on the Leased Premises in a good state of repair, ordinary wear and tear excepted, and (vii) comply, in all material respects, with all applicable statutes, ordinances, rules and regulations relating to Tenant's particular use of the Premises and shall maintain the Premises free of trash, litter and debris and in a clean and slightly condition.

(e) Landlord may (but shall have no obligation to), upon ten (10) business days' prior written notice and Tenant's failure to cure (unless Landlord deems Tenant's failure to repair or maintain to be of an emergency nature, then immediately upon notice to Tenant), repair or maintain the Premises in the event of Tenant's failure to repair and maintain the Premises as set forth in this paragraph. Landlord may charge Tenant for any such repair or maintenance.

(i) Landlord shall not be liable for any loss or damage to Tenant's personal property and equipment; provided, however, that Landlord shall be liable for any loss or damage caused by failure of Landlord to perform its duties of maintenance and repair hereunder. Notwithstanding the foregoing, Landlord shall not be liable for its failure to so maintain or repair the Premises unless Landlord has failed to perform such needed repairs or maintenance within thirty (30) days (or immediately, in the case of emergencies) of the date on which (i) Tenant notified Landlord of the need for such repairs or maintenance, or (ii) Landlord had actual knowledge of the need for such repairs or maintenance, whichever is earlier.

8. Intentionally omitted.

9. Taxes, Assessments and Utilities. Landlord shall pay all taxes and assessments during the term of this Lease. Tenant shall reimburse Landlord, upon demand, for all taxes and assessments that are due and payable for the Premises during the term of this Lease on the real estate, building and other improvements of which the Premises are a part.

Landlord shall cause to be maintained adequate water, electric, gas, telephone and sewage connections (and all other necessary utility services) to the improvements located upon the Premises. Tenant shall pay for all utilities furnished to the Premises during the term of this Lease. Tenant shall provide and pay for its own telephone, janitorial and refuse removal services for the Premises.

10. Insurance. Tenant shall, at its expense, purchase and keep in force at all times during this Lease, including any extension or renewal hereof, commercial general liability insurance written by an insurer reasonably satisfactory to Landlord, insuring Landlord and Tenant against all loss, cost, liability and expense on account of injury to or death of a person or persons, or damage to or destruction of property of third parties in an amount satisfactory to Landlord. Landlord shall pay for and purchase fire and extended coverage insurance on the improvements to the Premises in a face amount equal to [REDACTED] with the cost of such insurance to be reimbursed upon demand to Landlord by Tenant. All such policies shall name both Landlord and Tenant as insureds, as their respective interests may appear, and such policies may not be modified or canceled without at least thirty (30) days prior written notice to Landlord. Tenant shall further deliver to Landlord Certificates of Insurance issued by each insurer and shall provide Landlord with evidence of payment of all such premiums. In the event Tenant shall construct or erect any further improvements upon said Premises and/or make any additions or alterations to the existing improvements located upon said Premises during the term of this Lease, Tenant, at its expense, shall insure said additional improvements or additions to present improvements in an amount not less than the cost of such further improvements or additions.

If any improvements on the Premises are damaged or destroyed by any cause whatsoever, including without limitation fire, arson, windstorm, tornado, lightning, vandalism, theft, malicious mischief and bail, during the term of this Lease, Landlord shall, with reasonable promptness, repair and replace the same at its expense, so that the improvements upon the Premises after that repair and replacement shall be nearly as possible in the same condition they were in prior to that damage or destruction. In the event the proceeds of insurance are more than sufficient to pay the cost of rebuilding, Landlord shall be entitled to retain the surplus.

In the event the improvements situated on the Premises cannot be restored or repaired within 120 days, Landlord or Tenant may terminate this Lease by giving the other party written notice, and in such event Tenant shall have no further obligation under this Lease and all insurance proceeds shall be paid to Landlord. Landlord and Tenant hereby mutually waive any and all rights to subrogation relating to the foregoing.

11. Landlord's Access to Premises. Tenant agrees that Landlord or its agents shall have the right to enter the Premises at any reasonable time in order to (a) examine the Premises, (b) during the last six (6) months of the Original Term or any renewal term of this Lease, show the Premises to prospective purchasers or tenants, or (c) make repairs, alterations, or improvements (as permitted by this Agreement). Landlord or its agents shall have the right to take onto the Premises any and all materials that may be required therefor without constituting an eviction of Tenant in whole or in part, and the rent reserved herein shall not abate while such repairs, alterations, or improvements are being made. During the ninety (90) days prior to the termination or expiration of this Lease, Landlord may display on the Premises notices that the Premises are for rent and/or for sale, and Tenant agrees not to disturb such notices in any way. Landlord shall use its commercially reasonable efforts not to interfere with Tenant's use and enjoyment of the Premises by taking any action or inaction pursuant to this Section 11.

12. Examination of Premises by Tenant. Tenant has examined the Premises prior to the execution of this Lease and, except as otherwise set forth on Schedule 12 and except for Landlord's representations and warranties expressly set forth herein, is satisfied with the physical condition of the Premises "AS IS", and Tenant's acceptance and taking possession thereof shall be conclusive evidence of its receipt thereof in good order and repair, except as otherwise set forth on Schedule 12 and except for Landlord's representations and warranties expressly set forth herein. Landlord agrees to repair and replace the items set forth on Schedule 12 within the period set forth opposite such repair or replacement item on Schedule 12. Tenant agrees and admits that no representations, statement, or warranty, either express or implied, in fact or by law, has been made by or on behalf of Landlord as to the condition or repair of the Premises, and Tenant further agrees and admits that no agreement or promise to repair or improve said Premises not contained herein has been made by Landlord.

13. Quiet Enjoyment of Premises by Tenant. Tenant, upon the full and faithful performance of all the conditions, covenants, and agreements herein contained, shall at all times during the term hereof peaceably and quietly enjoy the use of the Premises without any disturbance from Landlord or anyone else claiming by or through Landlord, subject, however, to any rights which may be reserved to Landlord herein and to all encumbrances to which this Lease may be subordinate, if any; provided, however, that such subordination is contingent upon such lender or creditor of Landlord entering into a Subordination, Non-Disturbance and Assignment Agreement (or similar agreement, a "SNDAA"), in form and substance reasonably satisfactory to Tenant. Landlord shall deliver an executed SNDAA from Landlord's lender, Keybank National Association, on or before the execution date of this Lease.

14. Alteration or Improvement of Premises. Tenant may not make additions, improvements to or alterations of the Premises without the prior written consent of Landlord. Tenant shall make or cause to be made any alterations, additions, or improvements to the Premises which will give rise to any liens, claims, or demands of any nature against Landlord and/or the Premises. Any alteration, addition, or improvement made by Tenant after such consent shall have been given and any fixtures installed as part thereof shall, at the option of Landlord, become the property of Landlord upon the termination or expiration of this Lease; provided, however, that Landlord shall have the right to require Tenant to remove such fixtures and restore the premises to its original condition at Tenant's expense upon such termination or expiration, if Landlord so notified Tenant prior to making such alterations, additions or improvements.

Without limiting the generality of the foregoing, Tenant shall not make any changes to the exterior of the Premises, install any exterior lights, decorations, balloons, flags, pennants, banners, or painting, or erect or install any signs, windows or door lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Premises, without Landlord's prior written consent. Landlord agrees to cooperate with Tenant to obtain any necessary signage permits at no cost or expense to Landlord. Upon surrender or vacation of the Premises, Tenant shall remove all signs and repair, paint, and/or replace the building fascia surface to which its signs are attached. Tenant shall obtain all applicable governmental permits and approvals for sign and exterior treatments. All signs, decorations, advertising media, blinds, draperies and other window treatment or bars or other security installations visible from the outside of the Premises shall be subject to Landlord's approval and conform in all respects to Landlord's requirements.

15. Injury to Persons or Property. Tenant agrees that Landlord shall not be liable for any injury to Tenant or any other person occurring in, on, or around the Premises during the term of this Lease, or any renewal thereof, other than any negligent or intentional act of Landlord or any of its agents, employees or representatives. Tenant further agrees that Landlord shall not be liable for damages to Tenant's property or to property of any third person which may be located in, on, or around the Premises during the term of this Lease, or any renewal thereof, other than damages resulting from any negligent or intentional act of Landlord or any of its agents, employees or representatives. Tenant further agrees to indemnify and save Landlord harmless from any and all claims or losses arising out of any default by Tenant hereunder or by injuries to persons or property occurring in, on, or around the Premises, during the Term of this Lease, or any renewal thereof, including without limitation, attorneys' fees and costs of defending any action, except for those claims or losses resulting from any negligent or intentional act of Landlord or any of its agents, employees or representatives.

16. Condemnation. In the event all of the Premises is acquired or condemned by eminent domain for any public or quasi-public use or purposes, Landlord and/or Tenant may terminate this Lease in which event this Lease shall terminate and cease on the date upon which the condemning authority shall take possession of the Premises so condemned. Until such time, Landlord and Tenant shall continue to perform the obligations imposed upon it by the terms of this Lease.

If a portion, but less than all of the Premises is acquired or condemned, and a portion of the Premises is still usable by Tenant, then Tenant may elect (subject to Landlord's consent) to continue

leasing the usable portion of the Premises, and rent shall be equitably abated by Landlord in proportion to the part of the Premises taken, effective on the date possession of such portion of the Premises is taken. If Landlord and Tenant cannot agree on the abatement of rent, then this Lease shall terminate.

In the event of any such acquisition or condemnation by eminent domain, Tenant shall have no claim against Landlord or the condemning authority for the value of the unexpired term of this Lease and Tenant shall not be entitled to any part of the award paid for the condemnation or acquisition of the Premises, it being agreed that Landlord shall be entitled to receive the full amount of such award and it being further agreed that Tenant hereby expressly waives any right or claim against any portion of said award. Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded to or recoverable by Tenant in Tenant's own right on account of any and all damages to Tenant's business by reason of such acquisition or condemnation and for or on account of any cost to which Tenant might be put in removing Tenant's equipment, fixtures, inventory and other property from the Premises.

17. Defaults. A default by Tenant will have occurred under this Lease if: (a) Tenant fails to pay the full amount of any installment of rent or other amount owed hereunder within five (5) business days after written notice to tenant; (b) Tenant fails to observe or perform any other provision of this Lease for thirty (30) days after notice by Landlord of such failure; (c) Tenant defaults under or is in breach of the Equipment Lease between Tenant and Burger Packaging Corporation dated as of the date hereof beyond any applicable cure period; (d) Tenant defaults under or is in breach of the Asset Purchase Agreement between Tenant and Burger Packaging Corporation dated as of the date hereof beyond any applicable cure period; or (e) Tenant abandons, quits or vacates the Premises.

18. Remedies. If a default by Tenant has occurred under this Lease, Landlord may, at its option:

(a) re-enter and repossess the Premises and the remove all persons and property from the Premises in accordance with applicable law;

(b) terminate this Lease;

(c) advance money or make any expenditure to cure any default of Tenant other than default in payment of rent; or

(d) collect from Tenant by any lawful means (i) any rent due and unpaid, (ii) any deficiency which results from default of Tenant and the failure of any subletting to give Landlord the rent provided by this Lease, (iii) any money advanced or expenditure made by Landlord pursuant to this Lease, and (iv) any other amount which Tenant owes Landlord under this lease, including future rents called for hereunder and as calculated below without the necessity of suing in installments as the payments become due.

Upon Tenant's default, Landlord shall have any or all of the above remedies, the right to collect from Tenant Landlord's reasonable attorneys' fees and costs of collection, and any other remedy under law or equity. Upon exercise by Landlord of its right to re-enter and repossess, or to remove persons and property from the Premises or upon termination of this Lease as set forth above, Tenant and each person claiming by or through Tenant shall forthwith quit the Premises and surrender it to Landlord. Upon Tenant's vacation of the Premises, Tenant shall remove therefrom all of its personal property. If Tenant fails to so remove its property, said property shall be deemed as abandoned by Tenant and shall become the property of Landlord. Notwithstanding the foregoing, Landlord shall also be entitled to recover immediately as liquidated damages for loss of the bargain and not as penalty any unpaid rent that accrued on or before the occurrence of the event of default plus an amount equal to the difference between (y) the present value, as of the date of the occurrence of such event of default, of the aggregate rent reserved hereunder for the unexpired term of this Lease and (z) the then present value of the aggregate rental value of the Premises for such unexpired term which Landlord reasonably estimates to be obtainable for the Premises during such unexpired term.

19. Option to Purchase. Unless Tenant is in breach or default of this Lease, Tenant shall have an option to purchase the Premises (the "Purchase Option") either (a) within ninety (90) days of end of the Original Term, or (b) at any time during the lease term extended by the exercise of a Renewal Option. Tenant may only exercise the Purchase Option by providing Landlord with written notice (the "Exercise Notice") of its intent to exercise the Purchase Option together with a proposed purchase price for the Premises and a refundable earnest money deposit equal to ~~10%~~ of the proposed purchase price (the "Deposit"). The Exercise Notice shall set forth the date Tenant wishes to close the sale (the "Closing Date") which shall be at least ninety (90) days (but in no event longer than one hundred twenty (120) days) after Landlord receives the Exercise Notice and its proposed purchase price. Tenant may not exercise the Purchase Option if it is in breach or default of this Agreement.

Within five days of receiving the Exercise Notice, Landlord may either accept the purchase price proposed by Tenant or make a counteroffer. If Landlord does not accept Tenant's proposed purchase price, the parties agree to negotiate a fair market value purchase price in good faith. If the parties cannot agree on a fair market value within thirty (30) days of the date Landlord received the Exercise Notice, Landlord and Tenant shall each engage (at their respective cost and expense) an independent, licensed real estate appraiser to determine the fair market value of the Premises using generally accepted appraisal techniques. If the lower of the two appraisals is not less than ~~90%~~ of the other, the average of the two appraisals shall be the purchase price. If the lower appraisal is less than ninety percent of the other, the two appraisers shall jointly select a third independent, licensed real estate appraiser who will also conduct an appraisal (the costs of which shall be paid equally by Landlord and Tenant). The average of the three appraisals shall be the purchase price. Once the purchase price is fixed, whether by mutual agreement of the parties or by the appraisal process, the Deposit shall no longer be refundable to Tenant.

Prior to the Closing Date, Landlord will deliver to Tenant a survey and current title commitment for the Premises, whereby the title company will have agreed to insure title to the Premises in the full amount of the purchase price. Such title commitment will be subject only to the exceptions set forth in Schedule 19 and any other exceptions that do not materially and adversely

affect the current use of the Premises. On the Closing Date, Tenant will deliver the purchase price less the Deposit to Landlord by wire transfer and Landlord will deliver a limited warranty deed to the Premises without any representation or warranty with respect to the condition of the Premises. Tenant shall pay all property taxes incurred while it was a Tenant under this Lease. Landlord shall pay all federal, state and local taxes and recording fees associated with the sale of the Premises.

Tenant's obligations under this Lease shall continue until the Closing Date.

20. Assignment or Subletting. Tenant shall not sublet the Premises or assign this Lease, in whole or in part, at any time or from time to time without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed. Any subletting shall not in any manner change or reduce Tenant's obligations hereunder. In the event of any assignment or subletting by Tenant, Tenant shall pay Landlord each month an amount equal to the greater of: (a) ~~the then current rent~~ and (b) the then current rent owed to Landlord under this Lease, plus ~~the then current rent~~ of any sublease payment received by Tenant in excess of the then current rent for such month. Landlord may assign or transfer this Lease or any part hereof at any time without the consent of Tenant.

21. Surrender at End of Term; Holding Over; Removal of Tenant's Property. Unless Tenant exercises its Purchase Option, Tenant shall peaceably surrender and yield possession of the Premises to Landlord at the end of the Original Term, any extended or renewal term or on earlier termination of this Lease, in the same condition of repair, cleanliness, and sightliness as at the date of execution of this Lease, reasonable wear and tear excepted, and further agrees to deliver to Landlord the keys to the Premises upon said termination or expiration.

If Landlord shall in good faith determine that any uninsured maintenance or repair is necessitated as a result of waste or damage to the Premises by Tenant, a guest or invitee of Tenant, or any employee or agent of Tenant, Landlord may give written notice to Tenant that it shall be required to repair such damage within thirty (30) days; provided, that Tenant shall have such additional time as is reasonably necessary to complete the repairs if it makes a good faith effort to begin making the repairs.

No holding over by Tenant shall constitute a renewal or extension of the terms of this Lease except upon written consent of Landlord. Tenant may, at any time prior to or upon the termination or expiration of this Lease, remove from the Premises any and all personal property and trade fixtures located thereon which are owned by Tenant, provided that such property is removed without damage or injury to the Premises or that, if so requested by Landlord, any such damage or injury is promptly corrected at Tenant's sole expense by restoration of the Premises to the condition prior to the removal of such property from the Premises. Any such property not so removed shall become the property of Landlord.

22. Expenses of Enforcement. Tenant agrees to pay and discharge all reasonable costs, and other expenses that may be incurred by Landlord in enforcing the conditions, covenants, and agreements contained herein. The prevailing party in any dispute with respect to this Lease shall be entitled to its reasonable attorneys' fees from the non-prevailing party.

23. Collection of Rent after Notice. After the service of notice, or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect a rent due and the payment and receipt of said rent shall not waive or affect said notice, said suit or said judgment.

24. Hazardous Material, Indemnity.

(a) Landlord shall indemnify, defend and hold Tenant and its officers, employees and agents harmless from any claims, judgments, damages, penalties, fines, costs, liabilities (including sums paid in settlements of claims) or loss including reasonable attorneys' fees, consultant fees and expert fees which arise during or after the term of this Lease from or in connection with the presence of toxic or hazardous substances in the soil, groundwater or soil vapor on or under the Premises, the presence of which is not caused by Tenant. Without limiting the generality of the foregoing, in indemnification provided by this paragraph shall specifically cover reasonable costs incurred by Tenant in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of presence of toxic or hazardous substances in the soil, groundwater or soil vapor on or under the Premises, the presence of which is not caused by Tenant.

(b) Tenant warrants that any and all handling, transportation, storage, treatment, disposal or usage of toxic or hazardous substances that occurs on the Premises during the term of this Lease and any renewal thereof by Tenant, shall be in compliance with all applicable federal, state and local laws, rules, regulations and ordinances.

(c) If Tenant breaches the obligation stated in subparagraph (b) above, or if the presence of toxic or hazardous substance on the Premises caused or permitted by Tenant results in contamination of the Premises, then Tenant shall indemnify, defend and hold harmless Landlord from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, sums paid in settlement of claims, reasonable attorneys' fees, consultant fees and expert fees) which arise during or after the Lease term as a result of such contamination. This indemnification of Landlord by Tenant includes, without limitation, reasonable costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of a toxic or hazardous substance in the soil or groundwater on or under the Premises. Without limiting the foregoing, if the presence of any toxic or hazardous substances on the Premises caused or permitted by Tenant results in any contamination of the Premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such toxic or hazardous substance to the Premises.

(d) This Section 24 shall survive the termination of this Lease, any renewals hereof and the termination of any renewals.

(e) As used herein, the term "toxic or hazardous substances" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Indiana or the United States Government. The term "toxic or hazardous

substances" includes, without limitation, any material or substance which is (i) defined as a "hazardous substance" under I.C. 13-7-8.7-1 of the Indiana Hazardous Substance Response Trust Fund Act, (ii) petroleum, (iii) asbestos, (iv) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. §1317), (v) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.* (42 U.S.C. §6903), (vi) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 *et seq.* (42 U.S.C. §9601), or (vii) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks), 42 U.S.C. §6991 *et seq.* (42 U.S.C. §6991).

25. **Tenant's Compliance with Americans with Disability Act.** Tenant shall be solely responsible for compliance with the Americans With Disabilities Act of 1990 (Title 42 U.S.C. §12101 *et seq.*) and any amendments thereto ("ADA"), including but not limited to Titles I and III thereof at the Premises to the extent such compliance is required due to actions or improvements made by Tenant and is "readily achievable". In this regard Tenant shall pay all such costs and expenses associated with complying with Titles I and/or III of ADA as required by this Section. Except as otherwise set forth in this Section, Landlord shall pay all costs and expenses associated with complying with ADA.

26. **Waiver, Entire Agreement, Binding Effect.** It is expressly agreed that no waiver or apparent waiver or failure of Landlord or Tenant to require strict performance of any condition, covenant, or agreement herein contained shall constitute a waiver or shall estop Landlord or Tenant, as applicable, from enforcing such condition, covenant, or agreement at a later time. This Lease contains the entire understanding of the parties hereto with regard to the subject matter contained in this Lease and supercedes all prior agreements or understandings of the parties. All notices shall be in writing and all notices and/or rent shall be either delivered in person or mailed, postage prepaid and addressed as follows:

TO LANDLORD: President
Welch Packaging Group, Inc.
1020 Herman Street
Elkhart, IN 46517

TO TENANT: Colbert Packaging Corporation
Attn: Edward J. Baker
28355 North Bradley Road
Lake Forest, IL 60045

or to such other address as either party shall designate by written notice hereunder. A notice mailed by certified or registered mail shall be deemed given three (3) days after the date of postmark. The conditions, covenants and agreements herein contained shall apply and inure to and be binding upon their respective heirs, executors, administrators, successors and assigns and that the terms "Landlord" and "Tenant" shall embrace all of the parties hereto irrespective of number or gender.

27. Additional Documents. At the request of Landlord, Tenant shall execute and deliver to Landlord such documents as Landlord shall deem necessary or desirable to effectuate the terms of this Lease and protect Landlord's interests and rights in the Premises.

28. Governing Law. Jurisdiction. This Lease shall be governed and construed in accordance with the laws of the State of Indiana. Any proceeding arising out of or relating to this Agreement shall be brought in the courts of the State of Indiana, County of Elkhart, or, if it has or can acquire jurisdiction, in the United States District Court for the Northern District of Indiana, South Bend Division, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court, waives any objection it may now or hereafter have to venue or convenience of forum, agrees that all claim shall be heard and determined only in such courts and agrees not to bring any proceeding before any other court.

29. Authority to Execute. This Lease is executed by duly authorized officer of each party for and on behalf of such party and the person executing this Lease for and on behalf of each party acknowledges and states that it has full power and authority to execute this Lease pursuant to law, the articles of organization of such party and the authority of such party's governing body.

30. Miscellaneous. Any provision of this Lease prohibited by law in any state shall, as to such state, be ineffective to the extent of such prohibition without invalidating the remaining provisions of this Lease. This Lease may be executed in one or more counterparts. This Lease may be amended, modified or terminated by a writing signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Lease at Elkhart, Indiana, effective as of the date first written above.

LANDLORD:

WELCH PROPERTIES OF ELKHART, INC.

By: M. Scott Welch
M. Scott Welch, President

TENANT:

COLBERT PACKAGING CORPORATION

By: Edward Baker
Printed: Edward Baker
Title: President

EXHIBIT "A"

LEGAL DESCRIPTION

Lots Numbered Twenty-two (22) through Thirty (30) inclusive, and the North half (N ½) of the vacated alley adjacent to the South of said Lots; and Lots Numbered One Hundred Twenty (120) through One Hundred Twenty-Seven (127) inclusive, and the South half (S ½) of the vacated alley immediately North of said Lots, all as the said Lots are known and designated on the recorded Plat of MARKET'S FIRST ADDITION to the City of Elkhart, Indiana; said Plat being recorded in Deed Record 116, page 21 in the Office of the Recorder of Elkhart County, Indiana.

Also: a tract of land in the Northeast Quarter (NE ¼) of Section Eighteen (18), Township Thirty-Seven (37) North, Range Five (5) East in the City of Elkhart, Elkhart County, Indiana, said tract being the vacated Lots Numbered Thirty-One (31) to Thirty-Nine (39) inclusive, and One Hundred Ten (110) to One Hundred Nineteen (119) inclusive, as shown the recorded Plat of MARKET'S FIRST ADDITION to said City; said Plat being recorded in Deed Record 116, page 21 in the Office of the Recorder of Elkhart County, Indiana; Also, the vacated alleys adjacent to said vacated Lots, all being more particularly described as follows:

Commencing at the Northeast corner of Fieldhouse Avenue and Fifteenth Street (said corner also being the Southeast corner of Lot Numbered One Hundred Twenty (120) in said Addition; thence West Forty (40) feet to the Southwest corner of said Lot One Hundred Twenty (120) for the place of beginning; thence Northwardly parallel with the West line of said Fifteenth Street, One Hundred Forty and Twenty-Five hundredths (140.25) feet to the center of a vacated alley; thence Westwardly along the center of said vacated alley, Forty (40) feet; thence Northwardly parallel with the West line of said Fifteenth Street, One Hundred Forty and Twenty-five hundredths (140.25) feet to the South line of West Lusher Avenue; thence Westwardly along the South line of said West Lusher Avenue, Three Hundred Seventy-Four (374) feet; thence Southwardly parallel with the West line of said Fifteenth Street, Two Hundred Eighty and Five Tenths (280.5) feet to the North line of said Fieldhouse Avenue; thence Eastwardly along the North line of said Fieldhouse Avenue, Four Hundred Fourteen (414) feet to the place of beginning.

[Signature Page Assignment and Assumption Agreement]

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the date first above written.

Colbert Packaging Corporation

By: Edward Baker
Printed: Edward Baker
Title: President

Barger Packaging Corporation

By: M. L. Walsh
Printed: M. L. Walsh
Title: CEO

between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern.

4. **Further Actions.** Each of the parties hereto covenants and agrees, at its own expense, to execute and deliver, at the request of the other party hereto, such further instruments of transfer and assignment and to take such other action as such other party may reasonably request to more effectively consummate the assignments and assumptions contemplated by this Assignment and Assumption Agreement.

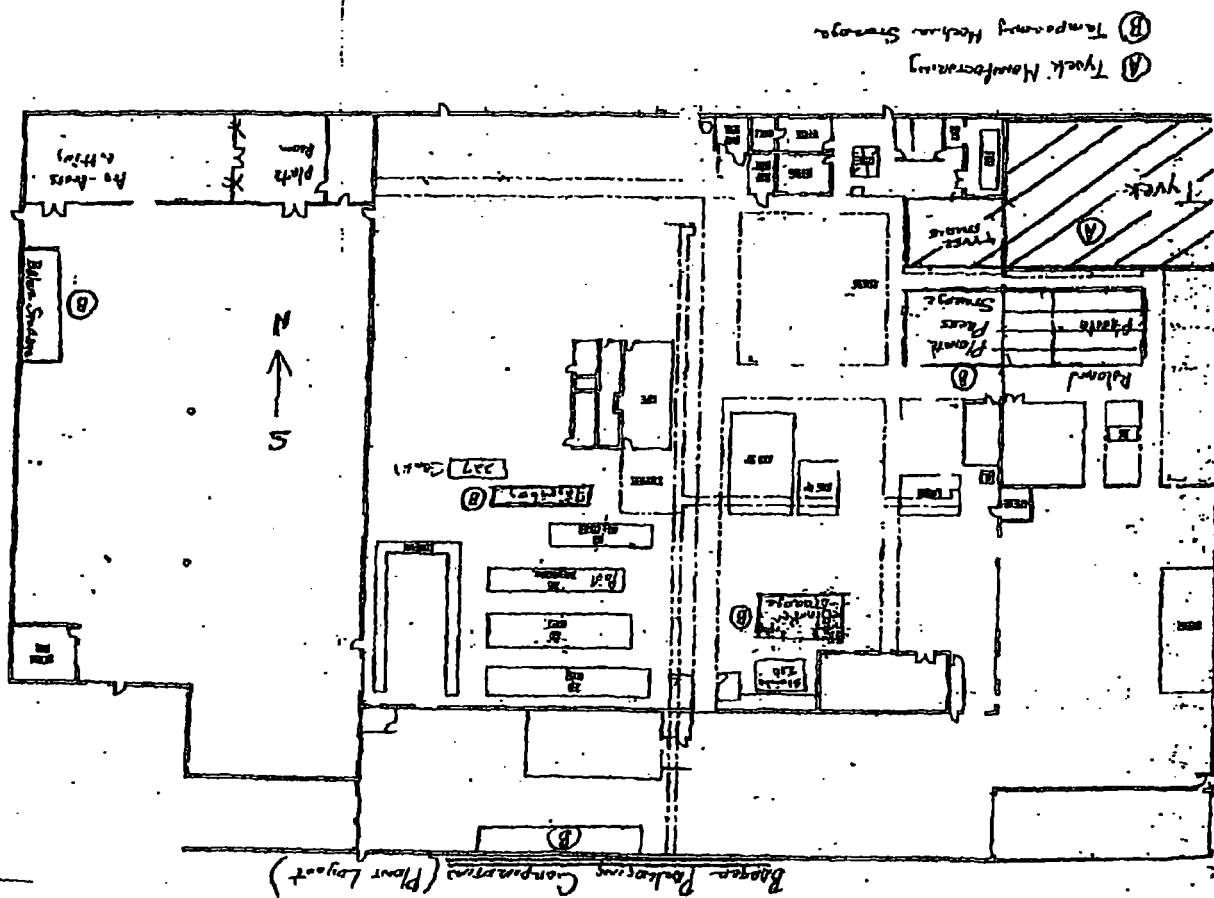
5. **Binding Effect.** This Assignment and Assumption Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignee.

[Signature Page Follows]

118941.DOC

EXHIBIT "B"
AREA TO BE USED BY LANDLORD

PUBLIC INFORMATION



REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT ("Agreement") is executed as of the 30th day of July, 1996 (the "Agreement Date"), by BARGER PACKAGING CORPORATION ("Seller"), and WELCH PROPERTIES OF ELKHART, INC. ("Buyer"), WITNESSETH:

WHEREAS, Seller is the owner in fee simple of the real estate located in Elkhart County, Indiana, the legal description of which is set forth on the attached Exhibit "A", together with all improvements located thereon, and all easements and rights appurtenant thereto (the "Property"); and

WHEREAS, Buyer desires to purchase, and Seller desires to sell the Property;

NOW THEREFORE, for and in consideration of the mutual covenants hereinafter contained, Seller agrees to sell, and Buyer agrees to purchase the Property for the price and subject to the terms and conditions hereinafter set forth.

1. Purchase Price. The purchase price for the Property (the "Purchase Price") shall be [REDACTED]. At the Closing, Buyer shall deliver its demand note to Seller in the principal amount of [REDACTED] upon delivery by the Seller of a good and sufficient Warranty Deed conveying the Property to Buyer.

2. Taxes. Seller shall pay the taxes on the Property for the year 1995 payable in 1996 and for prior years. The taxes on the Property for the year 1996 payable in 1997 shall be prorated between Seller and Buyer to the Closing Date (as defined in Section 3). Seller shall also pay, on or before the Closing Date, any and all assessments against the Property which shall become a lien thereon after the date of this Agreement and prior to the Closing Date. All rents shall also be prorated as of the Closing Date.

3. Closing; Possession. The closing of the purchase and sale of the Property (the "Closing") shall occur at the offices of Barnes & Thornburg, 301 South Main Street, Suite 305, Elkhart, Indiana, on July 30, 1996 (the "Closing Date"), or at such later date as the parties shall agree in writing. Time is of the essence of this Agreement. Seller agrees to deliver possession of the Property to the Buyer at the Closing.

4. Seller's Title.

a. Prior to Closing, Seller shall, at its own expense, obtain and deliver to Buyer a commitment for an owner's policy of title insurance (the "Commitment") issued by a title insurance company reasonably acceptable to Buyer ("Title Insurer") on ALTA 1970 Form B in which the Title Insurer shall agree to insure for the full amount of the Purchase Price merchantable title to the Property in the name of Buyer after delivery of a Warranty Deed to Buyer from Seller subject only to the exceptions set forth on attached Exhibit "B" (the "Permitted Encumbrances"). Seller shall pay the premium for the policy issued pursuant to the Commitment.

PUBLIC INFORMATION

b. If the Commitment reflects any exceptions other than the Permitted Exceptions (any such exception being referred to herein as a "Title Defect"), Buyer shall notify Seller in writing of any Title Defect within a reasonable time prior to the Closing. If Buyer shall have given Seller such timely notice Seller shall, on or before the Closing without cost to Seller use its reasonable efforts to remove such Title Defect and provide Buyer with reasonable evidence of such removal or reasonable evidence that such Title Defect will be removed (or insured over at Buyer's expense) on or before the Closing. Such evidence may consist of an endorsement, or a commitment to endorse, over the Title Defect in question, issued by the Title Insurer. Seller shall be obligated to expend reasonable sums to cure (or obtain insurance over) only the following Title Defects prior to, or at, the Closing:

- i. All mortgages or security instruments encumbering the Property;
- ii. All past due real estate taxes and assessments of any kind, which constitute, a lien against the Property; and
- iii. Judgments against the Seller which have attached to and become a lien against the Property.

The Title Defects described in clauses (i), (ii) and (iii) above are collectively referred to as the "Monetary Title Defects."

c. If after receiving timely notice from Buyer of any Title Defect, Seller does not cure (or obtain insurance over at Buyer's cost) any Title Defects at or before the Closing, Buyer's sole remedy shall be to either (i) waive the Title Defects other than the Monetary Title Defects and proceed to close hereunder with no offset or reduction in the Purchase Price or (ii) terminate this Agreement. After the Agreement Date, Seller shall not permit any further encumbrances, easements or restrictions to be placed on the Property.

5. Risk of Loss. The risk of loss or damage to the Property or to improvements on the Property by casualty, eminent domain proceedings or any other cause or occurrence is assumed by Seller until delivery of the Warranty Deed by Seller to Buyer at Closing. If any portion of the Property or improvements thereon is destroyed, damaged or taken or threatened to be taken by eminent domain prior to delivery of the warranty deed, Buyer at its option may either (i) terminate this Agreement, or (ii) proceed to Closing and receive an assignment of Seller's rights to all insurance or condemnation proceeds.

6. Environmental Inspection. On or before July 30, 1996, Buyer shall, at its sole expense, have the right to cause an independent environmental consultant chosen by Buyer at its sole discretion, to inspect, audit and test the Property for the existence of any condition with respect to the soil, surface water, groundwater, land, air and any other environmental medium

in connection with the Property, which could or does result in any material damage, loss, cost, expense, claim, demand, order or disability to or against Seller or Buyer by any third party, including any governmental entity or is a material violation of an applicable environmental law (an "Environmental Condition"), and to deliver a report describing such consultant's findings and conclusions. If the environmental report reveals the existence of any Environmental Condition which, in the reasonable judgment of Buyer, materially affects the value of the Property, the Buyer shall have the right prior to August 31, 1996 to request Seller in writing to remedy such Environmental Condition. If Seller chooses to and does remedy such Environmental Condition prior to the Closing, the Closing shall take place as scheduled. If Seller chooses not or does not remedy the Environmental Condition on or before the Closing date, then this Agreement shall, at the option of Buyer, terminate. If Buyer fails to give Seller written notice of any Environmental Condition on or before August 31, 1996 then Buyer shall be deemed to have irrevocably accepted any and all Environmental Conditions which may exist at the Property. In order to assist Buyer in making such determination, and to induce Buyer to purchase the Property, Seller hereby covenants, represents and warrants to Buyer that to the best of Seller's knowledge and belief and after diligent investigation and inquiry: (i) the Property is not contaminated with any hazardous substance; (ii) Seller has not caused and will not cause, and there has never occurred, the release of any hazardous substance on the Property; (iii) the Property is not subject to any federal, state or local "superfund" lien, proceedings, claim, liability or action, or the threat or likelihood thereof, for the clean-up, removal or remediation of any hazardous substance from the Property; (iv) there is no asbestos on the Property; (v) there are no underground storage tanks currently on the Property; (vi) by acquiring the Property, Buyer will not incur or be subjected to any "superfund" liability for the clean-up, removal or remediation of any hazardous substance from the Property or any liability, cost or expense for the removal of any asbestos or underground storage tank from the Property; (vii) any handling, transportation, storage, treatment or usage of toxic or hazardous substances that has occurred on the Property to-date has been in compliance with all applicable federal, state and local laws, regulations and ordinances and that no leak, spill, release, discharge, emission or disposal of toxic or hazardous substances has occurred on the Property to-date; and (viii) Seller will indemnify, defend and hold Buyer harmless from and against any and all claims, demands, liabilities, damages, suits, actions, judgments, fines, penalties, loss, cost and expense (including, without limitation, attorney fees and remediation costs) arising or resulting from, or suffered, sustained or incurred by Buyer as a result (direct or indirect) of, the untruth of any of the foregoing matters represented and warranted by Seller to Buyer or the breach of any of the foregoing covenants and warranties of Seller which indemnity shall survive the Closing hereunder. All of the foregoing covenants, representations and warranties shall be true and correct at the time of Closing hereunder and shall survive the Closing. The terms "hazardous substance", "release" and "removal" as used herein shall have the same meaning and definition as set forth in paragraphs (14), (22) and (23), respectively, of Title 42 U.S.C. §9601 and I.C. 13-7-8.7-1, provided, however, that the term "hazardous substance" as used herein also shall include "hazardous waste" as defined in paragraph (5) of 42 U.S.C. §6903 and "petroleum" as defined in paragraph (8) of 42 U.S.C. §6991. The term "superfund" as used herein means the Comprehensive Environmental Response, Compensation and Liability Act, as amended, being Title 42 U.S.C. §9601, *et seq.*, as amended, and any similar state statute or local ordinance

PUBLIC INFORMATION

applicable to the Property, including, without limitation, I.C. 13-7-5-1, *et seq.* and I.C. 13-7-8.7-1, *et seq.*, and all rules and regulations promulgated, administered and enforced by any governmental agency or authority pursuant thereto. The term "underground storage tank" as used herein shall have the same meaning and definition as set forth in paragraph (1) of 42 U.S.C. §6991.

7. Cooperation of Seller. Seller shall assist Buyer, and its representatives, whenever reasonably requested by Buyer, in obtaining information about the Property. After the execution of this Agreement, Seller agrees to provide to Buyer copies of surveys, environmental reports, leases and other documents currently in Seller's possession concerning the Property.

8. Access to Property. At any time after the Agreement Date, Buyer and its agents shall have the right subject to any rights of the tenants, to enter the Property for the purpose of conducting tests and inspections (including soil tests); provided, however, that Buyer shall restore any damage to the Property resulting from the entry therein and testing by Buyer or its agents.

9. Closing Documents. At the Closing, Seller shall execute and deliver to Buyer the following: (a) a general Warranty Deed conveying the Property to Buyer free and clear of all liens and encumbrances except the Permitted Encumbrances; (b) an assignment of all of Seller's right, title and interest in and to all leases involving the Property and all documents related thereto; (c) a closing statement setting forth the proration and payments set forth in this Agreement; and (d) such other instruments, certificates, affidavits or things as may be provided herein, or necessary or desirable to consummate the transaction.

10. Representations and Warranties of Seller. Seller represents and warrants to Buyer that (i) Seller has good and marketable title to the Property subject to the Permitted Encumbrances and has full right, power and authority to sell the Property to Buyer, (ii) there are no actions, suits or proceedings pending or threatened against Seller before any court, administrative agency or other body and no judgment, order, writ, injunction, decree or other similar command of any court or other governmental entity which is presently in effect has been entered against or served on Seller, (iii) Seller has not made any other agreement for the sale of, or given any other person an option to purchase, all or any part of the Property, (iv) the Property is not subject of any easements, rights, duties, obligations, covenants, conditions, restrictions, limitations or agreements not of record, (v) the Property is now in the possession of Seller and no other person has a right to possession or claims possession of all or any part thereof, and (vi) Seller is not involved in any proceedings by or against Seller in any court under the Bankruptcy Act or any other insolvency or debtor's relief act, whether state or federal, or for the appointment of a trustee, receiver, liquidator, assignee, sequestrator or other similar official of Seller or of a substantial part of Seller's property. The representations and warranties contained herein shall survive the Closing.

PUBLIC INFORMATION

11. Notices. All notices required or permitted to be given hereunder shall be in writing and delivered either in person or by certified or registered first-class prepaid mail, return receipt requested, to Seller or Buyer at their respective addresses set forth below, or at such other address notice of which may have been given to the other party in accordance with this Paragraph:

Seller: Barger Packaging Corporation
1511 W. Lusher Avenue
Elkhart, Indiana 46517

Buyer: Welch Properties of Elkhart, Inc.
~~56170 Herman Street~~
Elkhart, Indiana 46516

Any notice given in accordance with this Paragraph shall be deemed to have been duly given or delivered on the date the same is personally delivered to the recipient or received by the recipient as evidenced by the return receipt.

12. Complete Agreement. This Agreement represents the entire agreement between Seller and Buyer covering everything agreed upon or understood in this transaction. There are no oral promises, conditions, representations, understandings, interpretations or terms of any kind as conditions or inducements to the execution hereof or in effect between the parties. No change or addition shall be made to this Agreement except by a written agreement executed by Seller and Buyer.

13. Attorneys' Fees. In the event that either party shall bring any action or legal proceeding for an alleged breach of any provision of this Agreement or to enforce, protect, determine or establish any term, covenant or provision of this Agreement or the rights hereunder of either party, the prevailing party shall be entitled to recover from the non-prevailing party as a part of such action or proceedings, or in a separate action brought for that purpose, reasonable attorneys' fees, expert witness fees and court costs as may be fixed by the court.

14. Authorized Signatories. The persons executing this Agreement for and on behalf of Buyer and Seller each represent that they have the requisite authority to bind the entities on whose behalf they are signing.

15. Partial Invalidity. If any term, covenant or condition of this Agreement is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

16. Brokerage Fees. Each party hereby represents and warrants to the other that such party has not incurred any liability to any consultant, real estate broker or agent with respect to

the payment of any consulting, brokerage or other fee or commission regarding the consummation of the purchase and sale of the Property pursuant hereto. Each party agrees to indemnify, hold the other party harmless for any breach of these representations.

17. Remedies in Event of Default. In the event of breach of this Agreement each party shall have the right of specific performance and such other or additional remedies as otherwise are allowed by law or equity.

18. Jurisdiction; Waiver of Jury Trial. The parties agree and stipulate that any litigation based upon or arising out of this Agreement or the transactions contemplated by this Agreement may be brought only in the Superior or Circuit Courts of Elkhart County, Indiana or in the United States District Court for the Northern District of Indiana, South Bend Division and the parties hereto consent to the exclusive jurisdiction of such courts. The parties, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waive any right either of them may have to a trial by jury in any litigation based upon or arising out of this Agreement or any transaction contemplated by this Agreement. Neither party shall seek to consolidate, by counterclaim or otherwise, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. These provisions shall not be deemed to have been modified in any respect or relinquished by either party except by a written instrument executed by both of them.

19. Benefit; Governing Law. The parties agree that the provisions of this Agreement shall be binding upon, apply to and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assigns. This Agreement shall be construed pursuant to the laws of the State of Indiana.

20. No Government Notices. Seller warrants that Seller has not received, or is aware of, any notification from any City, County, State or other governmental authority requiring any work to be done on or affecting the Property or expressing an intent to condemn or make special improvements for the benefit of the Property. Seller further warrants that in the event any such notice is received prior to Closing, Seller shall submit such notice to Buyer for examination and approval. Should Buyer fail to consent in writing to the action proposed by any such notice within thirty (30) days from the date Buyer receives such notice, this Agreement may at Buyer's option be cancelled by Buyer's written notice.

21. Assignment. Buyer shall have the right to assign this Agreement and all rights hereunder, provided the assignee shall assume in writing all other obligations of Buyer hereunder.

PUBLIC INFORMATION

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the date first above written.

BUYER:

Welch Properties of Elkhart, Inc.

By: AM LeWelch - Pres

(Printed Name and Title)

SELLER:

Barger Packaging Corporation

By: Randall M. Barger
President/CEO

(Printed Name and Title)

This instrument was prepared by Samuel S. Thompson Attorney at Law, Barnes & Thornburg, 301 S. Main St., Suite 305, Elkhart IN 46516 (219) 293-0681.

PUBLIC INFORMATION

EXHIBIT "A"

LEGAL DESCRIPTION

Lots Numbered Twenty-two (22) through Thirty (30) inclusive, and the North half (N 1/2) of the vacated alley adjacent to the South of said Lots; and Lots Numbered One Hundred Twenty (120) through One Hundred Twenty-Seven (127) inclusive, and the South half (S 1/2) of the vacated alley immediately North of said Lots, all as the said Lots are known and designated on the recorded Plat of MARKEL'S FIRST ADDITION to the City of Elkhart, Indiana; said Plat being recorded in Deed Record 116, page 21 in the Office of the Recorder of Elkhart County, Indiana.

Also: A tract of land in the Northeast Quarter (NE 1/4) of Section Eighteen (18), Township Thirty-Seven (37) North, Range Five (5) East in the City of Elkhart, Elkhart County, Indiana, said tract being the vacated Lots Numbered Thirty-One (31) to Thirty-Nine (39) inclusive, and One Hundred Ten (110) to One Hundred Nineteen (119) inclusive, as shown the recorded Plat of MARKEL'S FIRST ADDITION to said City; said Plat being recorded in Deed Record 116, page 21 in the Office of the Recorder of Elkhart County, Indiana; Also the vacated alleys adjacent to said vacated Lots, all being more particularly described as follows:

Commencing at the Northwest corner of Fieldhouse Avenue and Fifteenth Street (said corner also being the Southeast corner of Lot Numbered One Hundred Twenty (120) in said Addition; thence West Forty (40) feet to the Southwest corner of said Lot One Hundred Twenty (120) for the place of beginning; thence Northwardly parallel with the West line of said Fifteenth Street, One Hundred Forty and Twenty-Five hundredths (140.25) feet to the center of a vacated alley; thence Westwardly along the center of said vacated alley, Forty (40) feet; thence Northwardly parallel with the West line of said Fifteenth Street, One Hundred Forty and Twenty-five hundredths (140.25) feet to the South line of West Lusher Avenue; thence Westwardly along the South line of said West Lusher Avenue, Three Hundred Seventy-Four (374) feet; thence Southwardly parallel with the West line of said Fifteenth Street, Two Hundred Eight and Five Tenths (280.5) feet to the North line of said Fieldhouse Avenue; thence Eastwardly along the North line of said Fieldhouse Avenue, Four Hundred Fourteen (414) feet to the place of beginning.

PUBLIC INFORMATION

EXHIBIT "B"

PERMITTED EXCEPTIONS

1. The lien for all real estate taxes and assessments which are not due and payable.
 2. All standard exceptions presented on the title insurance commitment.
-

AMENDMENT TO REAL ESTATE LEASE AGREEMENT

This Amendment to Real Estate Lease Agreement dated March 1, 2004 is made and entered into this Twenty Third (23) day of November, 2006 by and between Welch Properties of Elkhart, Inc., an Indiana corporation located at 1020 Herman Street, Elkhart Indiana 46516 ("Landlord") and Colbert Packaging Corporation, an Indiana corporation located at 28355 North Bradley Road, Lake Forest, Illinois 60045 ("Tenant").

WHEREAS, Landlord and Tenant have agreed to amend Paragraphs 2, 5, 4, 7, and 19 of the original Real Estate Lease Agreement dated March 1, 2004 by providing for an amendment to extend the Term, revise the Payment of Rent and Rent Payment Schedule, provide for building upgrades included in Use and Maintenance and provide for a mutually agreed purchase price Option to Purchase.

NOW, THEREFORE, for and in consideration of the mutual promises of Landlord and Tenant set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Paragraph 2. Term and Options to Extend shall be amended to extend the Term for a period of sixty (60) months until the seventh (7th) anniversary of the original inception date of March 1, 2004 (the "Amended Term").
2. Paragraph 5. Payment of Rent shall be amended to provide for monthly rent installments of [REDACTED] (REDACTED) beginning on March 1, 2006 (Month 25) and ending on February 28, 2011 (Month 84).
3. Paragraph 4. Landlord's Right to Use the Premises shall be amended to permit Landlord to warehouse free of charge certain assets owned by Landlord. Landlord may use the Premises until sixty (60) days after Tenant provides Landlord with a request to vacate the Premises, provided however, that if Tenant requires the additional production space currently occupied by the Planeta press after June 30, 2006 and prior to October 1, 2006, Tenant will be responsible for all costs of moving the Planeta press within sixty (60) miles of the 1511 West Lusher building. Barger Packaging Corporation shall be responsible for providing storage for the Planeta press. After October 1, 2006 and with sixty (60) days notice Tenant shall have the option of requiring the Planeta press removed at Barger Packaging Corporation's cost.
4. Paragraph 7 (d). Of Use and Maintenance shall be amended to require Tenant, at its sole cost and expense, to make any required building remodeling improvements and upgrades, internal repairs and maintenance including the removal and remediation of the machine foundation pads. Furthermore, Landlord and Tenant each agree to pay one-half (1/2) of the Net Cost of the roof repair and replacement to a mutually agreed roof contractor subject to the terms and conditions provided in the roof repair contract. For the purposes of this Lease Amendment the Net Cost of the roof repair and replacement is defined as the roof repair contract cost less funds obtained for the roof repair by the City of Elkhart Horizon Fund.